

Water and Sewer Operating Fund  
For the period ended September 30, 2003  
(amounts expressed in thousands)

	FY2003	FY2004				
	CAFR	Adopted Budget	Current Budget	YTD	Controller's Projection	F&A Projection
<b>Operating Revenues</b>						
Water Sales	\$ 267,125	\$ 275,057	\$ 275,057	\$ 74,442	\$ 275,057	\$ 275,057
Sewer Sales	264,159	272,618	272,618	70,898	272,618	272,618
Penalties	4,036	3,741	3,741	1,187	3,741	3,741
Other	3,997	2,758	2,758	1,176	2,758	2,758
Total Operating Revenues	<u>539,317</u>	<u>554,174</u>	<u>554,174</u>	<u>147,703</u>	<u>554,174</u>	<u>554,174</u>
<b>Operating Expenses</b>						
Personnel	105,272	116,360	116,360	28,642	116,360	116,360
Supplies	21,838	24,508	24,508	5,378	24,508	24,508
Service Contracts & Utilities	113,117	124,091	124,091	18,201	124,091	124,091
Uncollectibles	0	1,000	1,000	0	1,000	1,000
Total Operating Expenses	<u>240,227</u>	<u>265,959</u>	<u>265,959</u>	<u>52,221</u>	<u>265,959</u>	<u>265,959</u>
Operating Income (Loss)	<u>299,090</u>	<u>288,215</u>	<u>288,215</u>	<u>95,482</u>	<u>288,215</u>	<u>288,215</u>
<b>Nonoperating Revenues (Expenses)</b>						
Interest Income	19,297	14,653	14,653	3,642	14,653	14,653
Sale of Property, Mains and Scrap	1,219	1,464	1,464	81	1,464	1,464
Other	8,501	20,118	20,118	60,462	80,118	80,118
CWA & TRA Contracts (P & I)	(32,701)	(32,701)	(32,701)	(12,224)	(32,701)	(32,701)
Total Nonoperating Rev (Exp)	<u>(3,684)</u>	<u>3,534</u>	<u>3,534</u>	<u>51,961</u>	<u>63,534</u>	<u>63,534</u>
Income (Loss) Before Operating Transfers	<u>295,406</u>	<u>291,749</u>	<u>291,749</u>	<u>147,443</u>	<u>351,749</u>	<u>351,749</u>
<b>Operating Transfers</b>						
Debt Service Principal	50,335	67,488	67,488	13,632	67,488	67,488
Debt Service Interest	155,344	150,854	150,854	44,008	150,854	150,854
Discretionary Debt	23,811	30,021	30,021	7,744	30,021	30,021
Equipment Acquisition	14,976	16,688	16,688	4,172	16,688	16,688
Renewal and Replacement*	14,636	26,698	26,698	0	86,698	86,698
Accumulated Unexpended (ALP)	10,000	0	0	0	0	0
Transfer for Street and Drainage	25,462	0	0	0	0	0
Total Operating Transfers	<u>294,564</u>	<u>291,749</u>	<u>291,749</u>	<u>69,556</u>	<u>351,749</u>	<u>351,749</u>
Net Current Activity						
Operating Fund Only	\$ <u>842</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>77,887</u>	\$ <u>0</u>	\$ <u>0</u>

\*Please refer to Page 29 for the current status of the Renewal and Replacement Fund No. 751.

**About the Fund:**

Public Utilities - Water and Sewer is an enterprise fund which accounts for operation of the City's water and wastewater facilities. The fund provides for the operation of the City's treated and untreated water, as well as, receive and process wastewater generated in a service area that includes the City, certain municipalities and unincorporated communities in the Houston metropolitan area. Some of the City's largest customers are other cities and water authorities which supply water to their own customers.